Testimony to Governor's Healthcare Reform Implementation Council November 16, 2010 Submitted by: Sara M. Howe, CEO Illinois Alcoholism and Drug Dependence Association(IADDA)

Thank you for the opportunity to provide comment on Healthcare Reform and Medicaid. On behalf of the more than 50 community-based organizations and 200 individual IADDA members statewide who provide addiction prevention, treatment, and recovery services, we strongly support the goals of healthcare reform to ensure that all Illinois residents have access to high quality, affordable healthcare, including addiction healthcare services. We appreciate the opportunity to submit comments on issues related to Medicaid and the Affordable Care Act. Substance use disorders (SUD) are a preventable, treatable, chronic disease, yet 20.9 million Americans who needed treatment for an SUD last year did not receive it according to the 2009 National Survey on Drug Use and Health. The statistics for Illinois are just as astounding. According to the 2003 Illinois Household Study, there are approximately 1.5 million residents in need of addiction treatment, yet only approximately 90,000 receive the services they need. The passage of the Affordable Care Act, with its strong SUD-related provisions, represents a tremendous opportunity to close the addiction treatment gap and ensure access to critically needed SUD services. The Affordable Care Act requires that all newly-Medicaid eligible adults receive a package of benefits consistent with the essential health benefits required of qualified health plans in the Exchanges. The law includes substance use disorder and mental health services in the essential health benefits requirements, and requires that they be provided in a manner consistent with the Wellstone/Domenici Mental Health Parity and Addiction Equity Act. While the Department of Health and Human Services is currently in the process of defining the substance use disorder benefit and continuum of care requirements, Illinois should recognize this requirement and work with HHS to ensure newly-eligible beneficiaries receive sufficient substance use disorder coverage. In designing its Medicaid benefit package for newly-eligible individuals, the State should also recognize the significant health needs of low-income adults—including the disproportionate need of this population for mental health and/or substance use disorder services. To meet the considerable need of this population, we are recommending that Illinois utilize its authority under Section 1937(b)(D) of the Social Security Act to design a comprehensive Medicaid benefits package that includes a robust benefits package for the full continuum of substance use disorder prevention, treatment, and recovery support services, particularly considering the enhanced federal funding available to the state to finance the expansion. Individuals with untreated substance use and/or mental health disorders may be less likely to have stable, longterm employment and are more likely to be involved in the criminal justice system. As Illinois prepares for healthcare reform, it should do so with attention paid to those who were previously uninsured, those likely to remain uninsured during and after implementation, those transferring between private and public health insurance, and those transitioning out of the criminal justice system. We are also urging the State to utilize the presumptive eligibility option to allow certain qualified providers to grant short-term Medicaid eligibility and receive federally matched Medicaid reimbursement for care provided to individuals who appear eligible. Finally, we recommend that the State work with providers of substance use disorder services to ensure 1) they are prepared for the likely increase in demand as a result of the Medicaid expansion, and 2) they understand the Medicaid requirements and are prepared to participate in the Medicaid program. This is particularly important for those providers that have limited or no experience providing Medicaid-reimbursed services. We encourage the State to work with IADDA and the substance use disorder field throughout this process, and we look forward to working with you further to implement healthcare reform in Illinois.